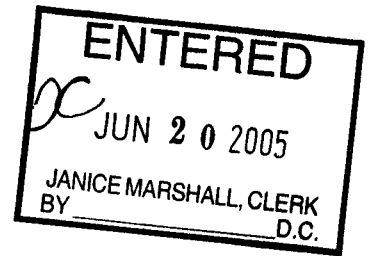


COMMONWEALTH OF KENTUCKY  
FRANKLIN CIRCUIT COURT  
DIVISION II  
CIVIL ACTION NO. 05-CI-468



COMMONWEALTH OF KENTUCKY, ex rel.  
Executive Director of the Office of Financial  
Institutions

PLAINTIFF

vs.

ROGER JONES

DEFENDANT

\*\* \*\* \*

**AGREED ORDER**  
**PURSUANT TO CR 65**

The Plaintiff, Commonwealth of Kentucky, ex rel. Executive Director of the Office of Financial Institutions ("Office"), has alleged that the Defendant, Roger Jones ("Jones"), has violated the Securities Act of Kentucky ("Act"), and an administrative Agreed Order entered into between the parties on July 23, 2001. [Exhibit 1]. The Office claims that Jones violated the Agreed Order and the Act when he sold unregistered securities in violation of KRS 292.340, acted as an unregistered agent in violation of KRS 292.330, engaged in fraudulent practices by making representations and omissions of fact in violation of KRS 292.320, and violated the terms of the Agreed Order entered into with the Office by continuing to engage in the similar type of conduct that led to 2001 Agreed Order. Jones denies these allegations.

A settlement of the complaint has been reached between the parties wherein Jones agrees to be bound by this Court not to engage in any aspect of the securities business. Jones further agrees not to offer or sell any investments, including those investments that are not covered by the Act. The Office agrees not to bring any new charges against Jones for

the new violations and to not seek the sanctions available to the Office for such violations of the Act and the Agreed Order.

Pursuant to the settlement, Defendant, Roger Jones, by and through his authorized representative, expressly states that he has read and is aware of the statements and allegations contained in this Agreed Order, and that his representative affixes his signature with full and complete knowledge of Jones' right to demand a hearing in lieu thereof, at which hearing Jones would be entitled to be represented by an attorney, to confront and cross examine witnesses for the Office, and to present evidence on his own behalf. Furthermore, also pursuant to the settlement, Jones expressly waives any right to a hearing and any right to appeal of same which he may be otherwise entitled. Jones consents to and acknowledges the Office's jurisdiction over this matter.

Upon mutual agreement of the parties, and this Court being otherwise sufficiently advised:

**IT IS HEREBY ORDERED THAT:**

1. Jones shall no longer engage in any aspect of the business of offering or selling securities, regardless of whether it is inside or outside of the Commonwealth of Kentucky, such activity being defined by KRS 292.313;
2. Jones shall not violate the Securities Act of Kentucky or any administrative regulations promulgated thereunder, or any Orders of the Executive Director of the Office or Commissioner of the Department of Financial Institutions that remain in force;
3. Jones shall not offer or sell any securities, including, but not limited to, any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust

certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas or other mineral right, or in general, any interest or instrument commonly known as a "security", any certificate of interest in or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe or purchase, any of the foregoing, to residents of the Commonwealth or to residents of other states, such activity being defined by KRS 292.313. This shall include, but not be limited to, interests in the business forms of partnerships, limited partnerships, limited liability companies, joint ventures, and corporations. This will not preclude Jones from receiving or participating in a profit sharing plan offered to him as an employee by his employer so long as Jones does not control the employer or have an ownership interest in the employer significant enough to cause Jones to be able to exercise control over the employer. The employer, as that term is used in this section, will be any employer of Jones and may take any business form.

4. Jones shall not offer or sell any investment of any kind, regardless of whether classified or defined by the Act as a security, to residents of the Commonwealth or to residents of other states, such activity as related to securities being defined by KRS 292.313 and such activity as to investments that are not securities being defined by KRS 292.313 by analogy.
5. Jones shall not be an officer, director, manager, control person, or other such person of any business entity which offers or sells securities or investments, as set forth in the preceding paragraphs, to residents of the Commonwealth or to residents of other states, such activity being defined by KRS 292.313 and such

activity as to investments that are not securities being defined by KRS 292.313 by analogy.

6. Jones shall not have any direct or indirect ownership interest in any entity which offers or sells securities, whether in the capacity of issuer or broker-dealer, as set forth in the preceding paragraphs, to residents of the Commonwealth or to residents of other states, such activity being defined by KRS 292.313.
7. Jones shall not receive any commissions, remunerations, or financial benefits from the offer or sale of any securities or investments, as set forth in the preceding paragraphs, to residents of the Commonwealth or to residents of other states, such activity being defined by KRS 292.313.
8. Jones may continue to engage in the business of insurance as a licensed insurance agent. However, Jones shall not offer or sell variable annuities, even if the Office of Insurance has granted Jones a line of authority or license to sell variable annuities.
9. Jones may continue to receive commissions, remunerations, or financial benefits from his activity as a licensed insurance agent provided that Jones does not receive any commission, remuneration, or financial benefit from the raising of capital or money to operate, build, or acquire business assets, or from the offer or sale of investment contracts in real estate, including but not limited to, rental real estate and time shares. This will not preclude Jones from starting a business so long as he does not offer or sell securities (including investment contracts) to raise the capital or money to operate, build, or acquire the business assets of the business nor will it preclude Jones from operating World Capital LLC, dba American Senior Services, again so long as he does not offer or sell securities

(including investment contracts) to raise capital or money to operate, expand, or acquire additional assets for said business.

10. Jones shall continue to cooperate with the Office. Jones shall provide to the Office information that includes, but is not limited to, the names and addresses of persons who invested with or through Roger Jones, the amounts that were invested, the entities in which they purchased the investment or interest in investment, as well as any information he possesses or can access about these entities, including but not limited to names and all background information, including whereabouts, of principals and key personnel for these entities, and the dates of the various investments. Jones shall provide this information to the Office in a timely manner.
11. Jones shall provide statements, either formally or informally, concerning any of the investment or investors, described in paragraph 11 above, to representatives of the Office.
12. In consideration for the agreement of Jones herein, neither the Office or any members of its staff will make a criminal referral of Jones to any criminal prosecuting authority regarding any of the conduct that precipitated this matter, provided however, the Office and its staff will not be precluded from answering a request from a criminal prosecuting authority for copies of records or testimony if the criminal prosecuting authority directs the Office, or its staff, as applicable, to do so, nor will this provision preclude a criminal referral if Jones engages in conduct in the future that would constitute criminal activity.

William L. Graham

WILLIAM GRAHAM, JUDGE  
FRANKLIN CIRCUIT COURT

20 June 05  
DATE

R. Jones  
Roger Jones Date: June 3, 2005

**ACKNOWLEDGEMENT**

County of: **Jefferson**

State of: **Kentucky**

On this the 3<sup>rd</sup> day of June, 2005, Roger Jones personally appeared before me and acknowledged to me that he had freely signed this Agreed Order on behalf of himself in his personal capacity.

Shirley W. Ryz  
Notary Public

My Commission Expires: 4-15-2008

**HAVE SEEN AND AGREED TO:**

William E. Doyle  
Counsel for the Office

June 7, 2005  
Date

Michael A. Valenti  
Counsel for Roger Jones

6/6/05  
Date

